

activities. He estimates that in the past four years over six million dollars have been taken by the匪 from this one source.

He advised that all public contracts, such as paving contracts, are subject to a 3% deduction, such deductions being handled in a sub 7048 manner for the most part. He further advised that Mr. Thomas Dewey of New York City has two men now in custody, one Frankie ~~Costello~~, who was an informer for a slot machine king named Erikson and the, Phil ~~Costello~~, head of the alliance distributing corporation, handling King's Ransom, Scotch and other liquors. Costello's associate was one Sam Maceo, now under indictment at Galveston, Texas, in a federal court on a narcotics charge. Mr. Costello advises that considerable information can be secured from the above named persons if they will talk. He further stated that one Miss Conner has been before the grand jury in New York City and that she is in possession of considerable information concerning the Louisiana situation. She was a witness for Dewey.

Four flagrant cases covered in the affidavits furnished to the Attorney General and subject to immediate federal prosecution, according to Mr. Costello, involved (one) Governor Leche in connection with the building of his new home at Covington; (two) George ~~Culwell~~, Superintendent of Construction, Louisiana State University; (three) Superintendent of Conservation Guillbach of Bayou, LaComb, Louisiana (between Slidell and Covington, Louisiana); (four) Dr. Clarence Lorio, State Senator, Baton Rouge. With reference to Dr. Lorio, Mr. Costello advised that he was the real cause of Huey Long's death; that he and Dr. Ladren were two incompetent physicians who were "made" by Huey Long; that they operated upon Huey Long after he was shot and the operation was so bunglesome and they were so incompetent as physicians that Huey Long died more of the result of this operation than from the shooting itself.

Business Manager S. W. Jackson of Louisiana State University is also supposed to be involved in connection with the use of government owned materials.

Mr. Eddie ~~Hebert~~, City Editor of the New Orleans States, a daily newspaper in New Orleans, got word of the theft of materials purchased by federal and state funds from the Louisiana State University at Baton Rouge and made arrangements to be notified by certain truckers so that when the trucks left Baton Rouge, photographs were at the home of Lt. Governor Jones M. Lachlan (during Governor Leche's administration) where material was actually delivered. Photographs of the trucks, the license plates and the

materials were secured and published and Mr. Costello advised that he has with him in Washington a complete file of the newspapers covering this and will be glad to furnish them to the Department of Justice upon request. He characterized Mr. Hebert as a courageous man, a cold blooded newspaperman, who would make an excellent witness, an excellent informant who could stand by his guns.

A hearing was scheduled at New Orleans this morning at 10:30 A. M. and Mr. Costello intended calling the Attorney General to have an observer present at this hearing in connection with the theft of material from Louisiana State University. Mr. Hebert advised Mr. Costello that his testimony at this hearing would be to refuse to say a word. However, if the Attorney General of the United States desires to inquire into the Louisiana situation, he, Mr. Hebert, will speak to any representative of the Attorney General. Mr. Costello advised that during his talk with the Attorney General he neglected to ask him if he would have a representative present at the hearing.

Mr. Costello advised that Joe ~~Kee~~ was formerly with the Department of Justice was apparently responsible for the quashing of many indictments, including one against Seymour Weiss on income tax violations following the death of Huey Long; that they actually tried one Abe Shushan, a very wealthy stalwart of Huey Long; that the trial, however, was a travesty on justice; that the jury was fixed and that everyone in New Orleans and in the State of Louisiana openly discussed the fact that the jury was fixed in this case; that the federal judge from an outside state who tried the case was helpless.

Mr. Hugh Wilkerson was counsel for Seymour Weiss. Seymour Weiss is alleged to have stated that he had to pay a large sum in the form of a penalty in connection with the civil angle of his income tax case.

Huey Long, according to Mr. Costello, was very bitter against Roosevelt and as a result would not let federal funds come into the State of Louisiana except in the administration of the National Youth Movement. WPA funds did not come in until after Long's death. Mr. Costello advised that the stealing on a broad scale from the state and the federal government started as soon as Leche became Governor in 1936. Leche and the political ring are accused of putting out the rumor that Farley is protecting them and blocking anything that the President may desire to do. Costello claims that the affidavits he presented to the Attorney General are not colored due to the fact that they were taken in his presence; that he was very careful in the preparation of the affidavits to be certain that they were confined to the facts in the knowledge of the affiant. He stated that it is the

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opinion of many people, including himself, that unless investigation is started before the January 16, 1940 primaries (the first primaries of any state due to a change in the primary date by Huey Long) there will be a lot of killing in Louisiana. With reference to the pay-offs he stated that many of them are made at 118½ Barone Street, New Orleans, a gambling joint controlled by Neiss and Maestri; that the person to be paid goes in and gambles and wins the amount of his payment. He pointed out that ex-Governor Huey, who is going to run again, is an old playmate of the men who are now conducting the racket; that, however, he believes they should be prosecuted; that he realizes that no candidate has a chance in the next election unless he makes it definitely known that he is against the vice, gambling, and racket hookup. Mr. Costello stated that he has contacted every state in the South and that with the exception of Virginia, the leading Roosevelt men, are asking why has Frank Murphy, the Attorney General of the United States, not done anything in any southern state, although he has initiated investigations in Kansas City, Detroit, Michigan, New York, etc. He believes that if action is taken in Louisiana, that is dramatic action, it will probably break up gangs throughout the entire South, operating on a similar basis, to the benefit of Frank Murphy.

He stated that throughout the South there is a feeling in every state that there are but two prominent national figures who are unquestionably honest and sincere, those two being John Edgar Hoover and Frank Murphy.

He further advised that they have even got rackets working in the Social Security Board offices whereby an application is made for unemployment benefits falsely, the sum received being split. He pointed out that the Yellow Cab Company in New Orleans is owned by Neiss and Maestri and they have arranged for ships docking at New Orleans to dock at places where it will be necessary for the sailors to use Yellow Cabs to get back and forth to the city at a cost of forty cents each way, the ships definitely not docking in their usual places. He points this out to show that things are so organized that they are not overlooking even minor methods of conducting a racket.

He referred to the case of Chester Martin who attempted to protest against certain matters affecting the SPA; that the SPA investigative agency claimed it did not have jurisdiction; that SAC Hood at New Orleans of the FBI claimed the FBI did not have jurisdiction. He stated that this case is covered in the affidavit furnished the Attorney General. He pointed out that Martin would be an excellent contact and would be an aggressive intelligent witness; that he is courageous and has been given a

position by the President of the Metropolitan Life Insurance Company, who is interested, after having had lost his job due to his efforts to improve certain irregularities taking place in the WPA.

Mr. Costello, although professing a close personal friendship and interest in the Attorney General, impressed me quite definitely as being interested more in the election of See as next Governor of Louisiana, than he is in endeavoring to start a prosecution of the present administration in Louisiana for the sole purpose of benefiting See and incidentally himself. He appears to be extremely anxious that something be done immediately and asked that Mr. Hoover discuss the matter with the Attorney General at the earliest possible time. He will remain available in Washington until the first of the month. He can be reached at Michigan 5137 or North 3494 and he is residing at the Brighton Hotel, 2123 California Avenue, N. W.

Respectfully,

So. J. Tracy

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SJT: RCL

4:43 PM

June 17, 1939

RECORDED

INDEXED

62-3250-2-221

FEDERAL BUREAU OF INVESTIGATION

JUN 26 1939

U. S. DEPARTMENT OF JUSTICE

WILSON C. GIBSON
DIRECTOR
W. C. GIBSON

W. C. GIBSON
W. C. GIBSON

W. C. GIBSON
W. C. GIBSON

MEMORANDUM FOR THE DIRECTOR

RE: CRIME CONDITIONS
LOUISIANA

Harry Costello, newspaperman and press
representative for former Governor Tros of Louisiana, tele-
phoned with reference to his interview with the writer a
few days ago.

He advised that he had just received word
from New Orleans that the public hearing he informed me was to
be held was postponed indefinitely on the grounds of illness
of the Governor. Mr. Costello has been informed that the "ring"
is frightened and considerable excitement and consternation
exists which apparently is the real reason for the postpone-
ment.

He stated that he wanted to furnish another
name; that of Mr. Walter Coquille, a radio commentator of
New Orleans known locally as the "Layer of Pom Pom"; that this
radio announcer has made some very strong assertions on his
radio program and claims he can prove each and every assertion
made. Mr. Costello suggests Mr. Coquille as a source of
information in the event the Department of Justice decides
to initiate an investigation.

Mr. Tolson.....
Mr. Nathan.....
Mr. E. A. Tamm.....
Mr. Clegg.....
Mr. Coffey.....
Mr. Crowl.....
Mr. Egan.....
Mr. Foxworth.....
Mr. Glavin.....
Mr. Harbo.....
Mr. Lester.....
Mr. McIntire.....
Mr. Nease.....
Mr. Quinn Tamm.....
Mr. Tracy.....
Miss Connelly.....

Mr. Costello stated that he will remain
available for further interview in the event further information
is desired from him concerning any of the affidavits submitted
to the Attorney General.

I thanked him for "calling and informed him
that the Attorney General was out of the city, as he probably
knew, and that I did not know the approximate date of his return;
that nothing, however, would be done until the Attorney General
had an opportunity to express his opinion concerning the informa-
tion furnished by Mr. Costello.

Respectfully,

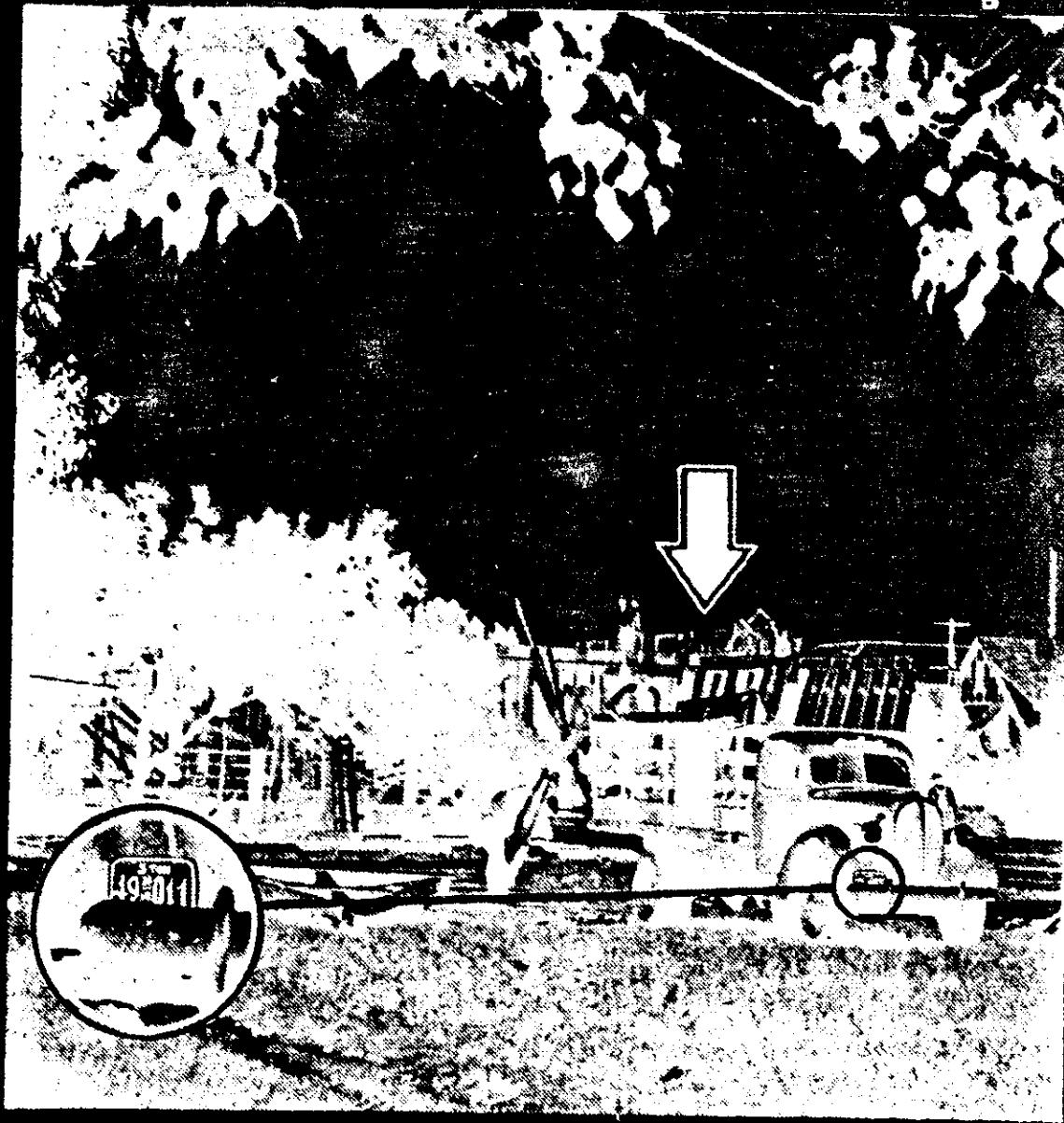
I ENCL. C

S. J. TRACY

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June 10, 1954
Times-Picayune

This Is Why the Governor Ordered the Hearing



—Photos by The Times-Picayune.
Governor Richard W. Leche, through Attorney General David M. Ellison, has ordered an open hearing for 10:30 a.m. Thursday in Baton Rouge to investigate the "charges of illegal use of public property" in connection with the use of a Louisiana State university truck to bear window sashes to property listed on the records of the Jefferson parish assessor as belonging to "Catherine McLachlan, Ward 8." Mrs. Catherine McLachlan is the wife of James McLachlan, colonel on the governor's staff. The arrow points to the house under construction on the property and the inset is the automobile license "49-011," listed with the secretary of state in Baton Rouge as having been issued to a truck belonging to E. S. C.

STATE TO PROBE L. S. U. TRUCK USE ON PRIVATE HOME

Leche to Play Prosecutor
and Counsel for Owner
at Proceedings

An open hearing Thursday for investigation of the use of a truck purported to be owned by Louisiana State university for the delivery of building material for construction of a private residence in Metairie was ordered Friday by Attorney General David M. Ellison at the instance of Governor Richard W. Leche.

At 11 a. m. Wednesday a truck bearing license plates identified through the office of the secretary of state as belonging to Louisiana State university delivered window sashes and other finished wood to property on which a house is being erected in the Oak Park subdivision of Jefferson parish.

Is McLachlan Property
Building records of Jefferson parish show that the house is being constructed on property owned by Catherine McLachlan. Records also show that the house is being built by James McLachlan, who is the husband of Catherine McLachlan.

Governor Leche said in Baton Rouge Friday afternoon that he will act as special assistant to the attorney general and as personal counsel for his friends, Mr. and Mrs. McLachlan, at the public hearing, which has been called for 10:30 a. m. Thursday in the supreme courtroom of the state capitol at Baton Rouge.

Attorney General Ellison's formal statement, handed to the press from his office in the state capitol late Friday afternoon, follows:

"With reference to the story appearing in the New Orleans States of this date charging illegal use of public property, I have, at the request of Governor Leche, called an open hearing to investigate these charges for 10:30 a. m. Thursday, June 15, in the supreme courtroom of the new state capitol."

Witnesses Are Summoned
He summoned the following witnesses: Leonard K. Nichols, New Orleans; James F. Crown, New Orleans; F. Edw. Hebert, New Orleans; Mrs. James McLachlan, Metairie; Mr. James McLachlan, Metairie; Rufus C. Harris, New Orleans, and Esmond Phelps, New Orleans.

"We'll probably have a statewide radio hookup," Governor Leche said. "The people ought to know about these things. This business of using public property for private purposes has to stop."

"I will act as special assistant to the attorney general. I will also act as personal counsel for my good friend, Mr. James McLachlan."

"And Mrs. McLachlan?" he was asked.

"Yes, for Mrs. McLachlan, and I am going to be anything else that it is necessary to be there."

The governor answered, "I will also represent the truck driver. I'll be defense counsel for the downtrodden."

Also Be Prosecutor

"And also the prosecutor?"

"Yes."

"Are you going to defend the fellow who told the truck driver to drive the truck?"

"Yes. There are going to be a lot of other people who will need defenses when I get through."

"Who are these?"

"I'm not saying."

"Who will preside over the hearing?"

"The procedure is prescribed by law; it will be one of the East Baton Rouge district judges."

Earlier the governor was asked why Dr. Rufus C. Harris was summoned. He replied, "That will be disclosed at the hearing." Asked if the Rufus C. Harris summoned is the president of Tulane university, he said, "Yes, the last I heard."

President James Monroe Smith of Louisiana State asserted that he was "sure if a university truck was used, proper compensation was made."

"I will look into the matter," President Smith declared, as he ended the discussion and left for lunch.

Efforts to reach Mr. McLachlan were unavailing Friday.

Inquiry at Mr. McLachlan's home elicited the information that he was "out of town" and that there was no information as to where he had gone or when he would return.

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Federal Bureau of Investigation
United States Department of Justice
Washington, D. C.

AR:MFW
1:20 P.M.

June 19, 1939

MEMORANDUM FOR MR. E. A. Tamm

I called SAC Sackett at New Orleans with reference to his letter of May 22, 1939, concerning State Senator James Noe of Monroe, Louisiana.

I told Mr. Sackett the Bureau would like to have a discreet and confidential inquiry concerning the background and activities of Mr. Noe.

SAC Sackett desired to know just how extensive this inquiry should be. I told him in view of the letter he had written and also the fact that Noe had been here in Washington, I thought the inquiry should be complete, and should be sent to the Bureau under personal and confidential cover.

SAC Sackett said he would telephone the Bureau any information obtained from this inquiry.

Respectfully,

G. Rosen
Al Rosen

RECORDED
&
INDEXED

63 32509-1

JUN 22 1939

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JERHCB

June 17, 1939

MEMORANDUM FOR MR. F. B. I.
Mr. Rosen

With reference to certain transmittals which have been made concerning the conditions in Louisiana, the former Lieutenant-Governor of Louisiana, Mrs. Rose, was in Washington this past week and the Attorney General requested me to have a discreet and confidential inquiry made in Louisiana concerning his background and activities, and what his standing might be as to integrity, et cetera. I wish that you would have Mr. Bookett, our SAC at New Orleans, ascertain this information as soon as possible and then bring it to my special attention.

Very truly yours

John Edgar Hoover
Director

Mr. Tolson _____
Mr. Nathan _____
Mr. E. A. Tamm _____
Mr. Clegg _____
Mr. Coffey _____
Mr. Ewell _____
Mr. Egan _____
Mr. Foxworth _____
Mr. Glavin _____
Mr. Harbo _____
Mr. Lester _____
Mr. McIntire _____
Mr. Nichols _____
Mr. Q. Tamm _____
Mr. Tracy _____
Miss Gandy _____

REPORT OF THE FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE

RECORDED
&
INDEXED

FEDERAL BUREAU OF INVESTIGATION

JUN 20 1939

U. S. D. F.

02-39509-112 X3

JUN 17 1939

Dear Sir:

69-32509-112

ANONYMOUS COMMUNICATION
KEEP ENVELOPE ATTACHED

RECORDED & INDEXED

FEDERAL BUREAU OF INVESTIGATION

We note from the press that the Governor says, "He is not interested in the "Federal Judgeship job," and "that he felt his services would be worth more to the people of Louisiana than the salary of \$10,000.00 per year." Well this statement is ~~gettin~~ DEPARTMENT OF most amusing to say the least. To us, the taxpayers of Louisiana, and also to a majority of state employees.

In addition to the obnoxious "shakedown" of five per cent of the salaries of state employees on May 16th, all state employees had to come across with "double" their former quota usually collected for subscriptions to the "Hammond Progress," and the "deadline" for these payments in Baton Rouge State Departments was set for 4:PM on May 31st. We are informed that this huge "fund" was paid over to the Governor, before he left for Hot Springs Ark. We are also informed by some of the boys, whose salaries range from \$150.00 to \$200.00 per month, that their "orders" were to furnish 10 \$2.00 subscriptions and \$20.00 each in cash, or else; and those getting \$200.00 to \$300. per month, had orders to submit 15 \$2.00 subscriptions or \$30.00 each in cash.

We do not believe that there is anywhere in the United States "rackets" that would even compare with such as the above, and operated with such brazen effrontery, by those who are the beneficiaries, and who sit "back in swivel chairs, and laugh at the law, our Courts, and our Grand Juries.

In making a casual estimate of the amount in cash, which was turned into the "till" or treasury, on May 31st, from this last subscription racket, based upon the present state pay rolls, and the scale placed with the Department Heads, according to their salaries, we figure the amount of "pay-off" to be in excess of \$500,000.00, or approximately more than a half million dollars. Of course everybody knows that this money is supposed to go to "The Hammond Progress" and we also know that our big Governor is very much interested in this newspaper.

We have heard quite a number of comments from some of the "boys", about this latest "racket", in view of this "shakedown of contributions" cutting a big "hole" in their vacation spending money; one of the most unfavorable expressions being: "Well, we employees bought that paper for Dick, and no doubt he sees the hand writing on the wall," and he wants to get all he can, while getting is good."

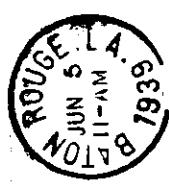
This obnoxious racket, sponsored by its "beneficiaries," who are at present our State Officials, these "shakedown" collections made and which are forced from State employees, is nothing more than the worse kind of graft, corruption, and racketeering, and should be stopped; on the eve of a state-wide campaign for the election of State Officers, a corrupt machine, is stopping at nothing to enrich themselves, with all they can "grab", in order to perpetuate themselves in office and political power.

There is a feeling in our minds, that an investigation by the Department of Justice of the United States, Mr. J. Edgar Hoover of the Federal Bureau of Investigation, and the Collector of Internal Revenue would disclose some very interesting details concerning these nefarious rackets, in view of the "huge" amounts of "income" collected monthly during the past four years, apparently secreted, and the income taxes due the Federal Government from this nefarious racket is being evaded. What a fertile field, for such an investigation, and the results could indeed be financially interesting to the Government.

Very respectfully

AFTER 5 DAYS RETURN TO

BATON ROUGE, LA.



Hon. J. Edgar Hoover,
Federal Bureau of Investigation
Washington
D. C.

100

Edgar Hoover Chief F. B. I. 6/1/39

ANONYMOUS COMMUNICATION
KEEP ENVELOPE ATTACHED

Notice where you and ~~Spanse~~
Murphy visited Louisiana.

Why you can tell us just
why Dick Leche does not
and investigation into Heey
Long's murder.

If Heey Long had
of lived Roosevelt would not
be serving his 2 term.

Seems that the New Dealers use
Joe Stalines methods occasionally.

Interested.

RECORDED
&
INDEXED

62-32509-112X1
FEDERAL BUREAU OF INVESTIGATION

UN 5 1939

ONE
Note



Chief J.B. J. Edgar Hoover
Washington D.C.

New Orleans, Louisiana

June 17, 1939

Inspector E. L. Parsons
New York, N. Y.

PERSONAL AND CONFIDENTIAL

Dear Sir:

The following information has been compiled in connection with Bureau letter of June 10, 1939 to summarize the manner in which organized crime in New Orleans may be connected with members of the SHAPIRO-BUCHHALTER mob and also as to possible intercity and interstate relationships of the various gangs.

"NEW ORLEANS - FURNITURE CONNECTIONS AND ORGANIZATIONS."

So far as it is known, members of the SHAPIRO-BUCHHALTER mob have no connections in New Orleans; nor is it known that they control any organizations in this city or that they have any influence here.

"NEW ORLEANS - GENERAL ORGANIZED CRIME CONDITIONS."

The City of New Orleans is rather wide open as far as prostitution and gambling are concerned. Other types of crime in New Orleans are negligible. There are no racket unions in New Orleans and racketeering conditions do not exist. During the past six years there have been no crimes of violence resulting in any extensive profit to the perpetrators thereof. All bank robbery gangs have been eliminated - burglaries are comparatively few. Auto thefts are very rare for a city of this size. The NEW ORLEANS POLICE DEPARTMENT is very active in connection with the more serious types of crime and have an extensive informant system so that they have knowledge of almost all activities of criminals within the city. ~~RECOMMENDED & INDEXED~~

62-32509-11

Prostitution is allowed to flourish with ~~CONGRATULATIONS~~ ~~AMERICAN INVESTIGATION~~ regulation. Occasionally raids are made on some of the smaller houses in New Orleans, the exact purpose of these raids not being exactly clear, so streetwalking is allowed. The houses of prostitution are quite orderly ~~DEPARTMENT OF JUSTICE~~ ~~U. S. DEPARTMENT OF JUSTICE~~ ~~law enforcement~~ ~~agencies~~ ~~when called upon to do so.~~ An extensive general ~~white~~ ~~white~~ investigation has been made by this office in New Orleans over a period of approximately two years without resulting in any information that there is any form of organization among the various operators of the houses of prostitution, nor was there any evidence that the operators of these houses were engaged in the interstate transportation of prostitutes. It is rumored and reported that they are required to make a payoff to certain political elements of the city, which is organized into a group sometimes referred to locally as the "Syndicate," and which is reputed to be composed of the Mayor of New Orleans, the Governor of the State of Louisiana, the Superintendent of the NEW ORLEANS POLICE DEPART-

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WILLIAM GIBSON, 2110 BOSTON AVENUE, NEW ORLEANS, LOUISIANA, WAS KILLED, AND ROBERT LEE COOPER, 2110 BOSTON AVENUE, NEW ORLEANS, LOUISIANA, WAS INJURED, IN A NIGHT CLUB FIRE, ON APRIL 15, 1948. WILLIAM GIBSON, 2110 BOSTON AVENUE, NEW ORLEANS, LOUISIANA, WAS BORN ON APRIL 15, 1924, IN NEW ORLEANS, LOUISIANA. ROBERT LEE COOPER, 2110 BOSTON AVENUE, NEW ORLEANS, LOUISIANA, WAS BORN ON APRIL 15, 1924, IN NEW ORLEANS, LOUISIANA. WILLIAM GIBSON, 2110 BOSTON AVENUE, NEW ORLEANS, LOUISIANA, WAS BORN ON APRIL 15, 1924, IN NEW ORLEANS, LOUISIANA. ROBERT LEE COOPER, 2110 BOSTON AVENUE, NEW ORLEANS, LOUISIANA, WAS BORN ON APRIL 15, 1924, IN NEW ORLEANS, LOUISIANA.

bookies are forced to close down. There has thus far been no indication that these establishments are controlled by any outside individuals. The largest of these is that, of course, operated in connection with the gambling establishment at 118½ Baronne Street. The New Orleans racetrack is operated by the LOUISIANA JOCKEY CLUB, of which ROBERT EDDY is President. EDDY is of a prominent local family engaged in the furniture business. He is, however, merely a front man for the interests which run the track. The track is owned by LOUIS DANDORAND and the estate of JOSEPH CATTERNICH. CATTERNICH died during the past racing season. Both DANDORAND and CATTERNICH are Canadians, DANDORAND being an expatriate, having been born in Illinois. They are reputed to own a number of the minor race tracks in the United States, including those at Aurora and Fairmont, Ill. DANDORAND is reputed to be a leading figure in the sporting fraternity in Montreal, Canada. It is said that he owns the MONTREAL HOCKEY CLUB and that he controls a racing publication in New York, probably "THE NEW YORK PRESS." He is described as follows:

Age	48 years
Height	5 feet 7 inches
Weight	180 to 200 pounds
Build	Heavy set
Face	Full
Hair	Black
Complexion	Ruddy
Appears to be very prosperous	

It has been reported that there is a private wire from the New Orleans racetrack to a lottery operated in Newark, N. J., and that that lottery is operated under the numbers system, that tickets will be combinations of numbers which are sold and the payoff is made on the basis of a winning ticket corresponding with certain numbers appearing in the price paid on mutual prices at the New Orleans racetrack. The local track is supposed to manipulate these numbers in accordance with the lottery operator's desires and is supposed to profit to the extent of \$25,000 a week for this service. It is recalled that during the HINES trial at New York City evidence of this operation was brought out, according to newspaper reports here. It does not appear that any lottery tickets are sold from New Orleans, an investigation relative to that having been investigated by Immigration Inspectors in New Orleans who are very much interested in proving a violation against DANDORAND for the purpose of causing his deportation. It is to be noted that DANDORAND was arrested by Immigration Inspectors on an alien warrant and that immediately thereafter Mayor ROBERT S. MAESTRI approached the U. S. Attorney at New Orleans, who caused the complaint to be dismissed. This is purely hearsay from Immigration Inspectors. There has been no other indication of outside influence on the New Orleans gambling interests, except for the fact that during the life of the late Senator HUEY P. LONG and continuing for some time thereafter, the "CHIEF" slot machines were given an exclusive franchise in the City of New Orleans and almost exclusive throughout the rest of the state.

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Inspector CURRIN

Re: PURCHASE

6/17/39

It was reported that certain New York parties representing the manufacturers and operators of the "CHIZZ" slot machines had made a deal with Senator LONG so that he was given an annual \$250,000 political contribution.

The liquor distributing businesses in New Orleans, so far as is known, are all entirely legitimate; there never has been received here any information that they are not.

The biggest share of the political graft in Louisiana is reported to arise out of the oil field concessions, the State of Louisiana owning numerous lands which are being exploited for oil. The details of how this is handled are not well known.

Very truly yours,

B. E. SACKETT,
Special Agent in Charge.

CEW:ahs

AIRMAIL - SPECIAL DELIVERY

Sec-Bureau

1505 Masonic Temple Building
New Orleans, Louisiana
May 22, 1938

Mr. J. Edgar Hoover
Federal Bureau of Investigation
Washington, D. C.

Re: Louisiana Political Situation

Dear Mr. Hoover:

At the Louisiana Peace Officers Association Convention in Baton Rouge, Louisiana last week, I had an excellent opportunity to mingle with the State's peace officers who, of course, are very influential factors in the State's political situation. KARL L. LONG, presently Lieutenant-Governor of the State, was very much in evidence, and openly announced his candidacy for the governorship. I had occasion to visit with Mr. LONG at different times during the Convention. He impressed me as being about the "dumbest white man" I have ever talked to, has very little intelligence, no tact, and not very much common sense. He has an over-abundance of confidence in himself, speaks authoritatively about matters he quite evidently knows nothing about, and generally makes a very poor impression. He is quite stubborn, egotistical, and is the type of man who would not listen to reason or advice from any source.

According to the present trend of the political picture, it is almost certain that KARL LONG will receive the Democratic nomination at the caucus of the party which will meet in several months to select a candidate. If he receives that support he is, of course, assured of election. The whole situation now hinges upon the actions of Mayor ROBERT S. MAESTRI of New Orleans, who appears to hold the key to the situation. If MAESTRI supports LONG in the primary, LONG will undoubtedly receive the nomination. Mayor MAESTRI controls the political situation in the City of New Orleans, and a large plurality in the city would be sufficient to overcome any possible plurality in the rest of the State. The principal opponent of LONG for the governorship candidacy is State Senator JAMES NOL of Monroe, Louisiana. (NOL is very popular throughout the State with the exception of the City of New Orleans, and is an anti-administration man. The only other active candidate for the State administration endorsement for Governor is WADE G. MARTIN, presently State Public Service Commission Chairman. MARTIN is conceded not to have much of a chance. MARTIN was also present at the Peace Officers Association Convention; however, he did not take much of a part in the affairs, nor was he invited to make any speeches.

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&
INDEXED

12-32584
TULSON B. BISHOP
JAMES NOL
FBI
1938
RECORDED
INDEXED
SEARCHED

Superseded
mailed to
Director
May 26/38

Director - Page 2

May 22, 1938

It can be plainly seen from the activities at the Police Officers Convention that Superintendent GOURRE and the State Police are for the candidacy of EARL LONG since everything on the program was so planned as to give EARL LONG plenty of backing and support. The general sentiment of the police officers in attendance was not very favorable to LONG personally, but most of them apparently have taken the attitude that there is nothing which they can do about keeping LONG out and therefore would just have to go along with him.

I received confidential information at the Convention that in the event LONG is endorsed by the State Administration for Governor, EARL CHRISTENBERRY, who is presently Director of the State's Public Relations Office in Washington, will be a running mate of LONG for the office of Lieutenant-Governor. I spent quite a bit of time with EARL CHRISTENBERRY who was also present at the convention, and became personally friendly with him. CHRISTENBERRY is a very intelligent, tactful, diplomatic and likeable individual. He was private secretary to the late Senator HENRY P. LONG for some time, is a very good student of politics, and is a level-headed, capable young man. Mr. CHRISTENBERRY is about 35 years of age. His brother, HERBERT W. CHRISTENBERRY, is the first Assistant to the United States Attorney, RENE A. VIOSCA, at New Orleans. The fact that EARL CHRISTENBERRY will be Lieutenant-Governor in event EARL LONG becomes Governor is not known, and this information was given to me in confidence. During my association with EARL CHRISTENBERRY at the Convention and my general conversation with him, I came to the definite belief that Governor RICHARD J. MCGEE is presently in Washington for the purpose of endeavoring to secure the appointment as United States District Judge in New Orleans; that he expects to secure this appointment within the next month or six weeks, and if so will retire from office as Governor to enter upon his duties as judge within the next two months. Upon this event taking place, EARL LONG will automatically become Governor of the State and will be in position to better further his candidacy for his reelection as Governor.

The name of SEYMOUR WEISS did not enter into any of the discussions. Mr. WEISS was not present at the Convention, and I received no indication that he is personally active in politics in the State. He undoubtedly, of course, is active behind the scenes.

One of my newspaper friends, EDWARD HERBERT, City Editor of the New Orleans States, in a general conversation had some weeks ago, informed me of the political situation which coincided almost exactly with the situation as I found it at Baton Rouge, and as related above. HERBERT told me that EARL LONG is extremely and rabidly anti-Semitic and that if he were elected Governor, the Jews in Louisiana would just about have

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Director - Page 8

May 22, 1938

to leave the State; that for this reason, SHIMMER and other prominent Jews in New Orleans and throughout the State, are bitterly against LONG for the governorship and are doing everything in their power to swing the sentiment away from him.

~~SAM GURVICH~~ was very much in evidence at the First All-State Convention. He had his entire patrol force at Baton Rouge, all dressed up in blue-gray uniforms. He did a lot of his usual back-slapping and boasting, and tried to stick his nose into everything that went on. Although I had seen him only twice before, he tried to pretend he was very intimately friendly with me, tried to hang around the same group of people I happened to be with, and kept referring to me as "my old friend Ed." I more or less ignored SAM and by my actions and language let him and the others know that we were not pals, and that his presence was little short of a nuisance to me. GURVICH made no statements in my presence, nor did any information reach me that he made any statements or comments in any way detrimental or derogatory to the Bureau or any of its personnel. GURVICH, of course, seemed friendly with LONG and back-slapped him as much as anyone else in attendance.

There is no question in my mind but that if EARL LONG is elevated to the Governorship, he will unhesitatingly and without any subterfuge try to dominate the peace officers in Louisiana for his own purposes.

I thought that you should have the information relative to the whole situation as it appears to me at this time.

Very truly yours,

R. E. SACKETT
Special Agent in Charge

BFS:ALS

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Federal Bureau of Investigation
United States Department of Justice
1308 Masonic Temple Building
New Orleans, Louisiana
May 22, 1939

Mr. J. Edgar Hoover
Federal Bureau of Investigation
Washington, D. C.

PERSONAL and CONFIDENTIAL

Mr. Nichols
Mr. Quinn Thomas
Mr. Tracy
Miss Gandy

Re: Louisiana Political Situation

Dear Mr. Hoover:

At the Louisiana Peace Officers Association Convention in Baton Rouge, Louisiana last week, I had an excellent opportunity to mingle with the State's peace officers who, of course, are very influential factors in the State's political situation. EARL K. LONG, presently Lieutenant-Governor of the State, was very much in evidence, and openly announced his candidacy for the governorship. I had occasion to visit with Mr. LONG at different times during the Convention. He impressed me as being about the "dumbest white man" I have ever talked to, has very little intelligence, no tact, and not very much common sense. He has an over-abundance of confidence in himself, speaks authoritatively about matters he quite evidently knows nothing about, and generally makes a very poor impression. He is quite stubborn, egotistical, and is the type of man who would not listen to reason or advice from any source.

According to the present trend of the political picture, it is almost certain that EARL LONG will receive the Democratic nomination at the caucus of the party which will meet in several months to select a candidate. If he receives that support he is, of course, assured of election. The whole situation now hinges upon the actions of Mayor ROBERT S. MAESTRI of New Orleans, who appears to hold the key to the situation. If MAESTRI supports LONG in the caucus, LONG will undoubtedly receive the nomination. Mayor MAESTRI controls the political situation in the City of New Orleans, and a large plurality in the city would be sufficient to overcome any possible plurality in the rest of the State. The principal opponent of LONG for the governorship candidacy is State Senator JAMES NOE of Monroe, Louisiana. NOE is very popular throughout the State with the exception of the City of New Orleans, and is an anti-administration man. The only other active candidate for the State administration endorsement for Governor is WADE O. MARTIN, presently State Public Service Commission Chairman. MARTIN is conceded not to have much of a chance. MARTIN was also present at the Peace Officers Association Convention; however, he did not take much of a part in the affairs, nor was he invited to make any speeches.

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Director - Page 2

May 22, 1939

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Director - Page 3

May 22, 1939

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Very truly yours,



B. E. SACKETT
Special Agent in Charge

BES:ALS

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Federal Bureau of Investigation
United States Department of Justice
Washington, D. C.

May 27, 1939

EAT:CHS

Time: 12:57 P.M.

FILE
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I called SAC Sackett of the New Orleans Office and advised him the Director desires that he prepare immediately a very comprehensive memorandum relative to the vice, corruption, political set-up, etc. in New Orleans, including the pay-offs, the organization and things of that nature, in order that the matter can be brought to the attention of the Attorney General. He was further advised that if it is at all possible, the Director would like to have this material sent to the Dallas Office by airmail, special delivery, so that the same will be there tomorrow morning. Mr. Sackett stated he would send this to the Director in care of the Dallas Office.

E. A. TAMM

RECORDED

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FEDERAL BUREAU OF INVESTIGATION	
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U. S. DEPARTMENT OF JUSTICE	
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62-32509-110X

Federal Bureau of Investigation
 United States Department of Justice
 1308 Masonic Temple Building
 New Orleans, Louisiana
 May 27, 1939

Mr. J. Edgar Hoover
 Federal Bureau of Investigation
 Dallas, Texas

File

Dear Mr. Hoover:

PERSONAL AND CONFIDENTIAL

Mr. Tolson
Mr. Nathan
Mr. E. A. Tamm
Mr. Clegg
Mr. Coffey
Mr. Egan
Mr. Glavin
Mr. Crowley
Mr. Harbo
Mr. Lester
Mr. Lawler
Mr. Nichols
Mr. Tolson
Mr. Sears
Mr. Quinn Tamm
Mr. Tracy
Miss Gandy

In accordance with a telephonic conversation I had with Mr. Tamm this afternoon I have prepared memoranda dealing with the vice and political corruption situations in New Orleans and in the State of Louisiana. I am enclosing the original and one copy of each of these memoranda herewith.

I am also enclosing a copy of a letter which I addressed to you at Washington but which you have not as yet seen, dated May 22, 1939, dealing with the present political situation in Louisiana, which may be of interest to you.

I might state that Governor Leche is making strenuous efforts to "take over" General Murphy upon his arrival in New Orleans and to entertain him during his entire stay in the State. Mr. James Monroe Smith, President of Louisiana State University, this afternoon telephonically communicated with me and informed that Governor Leche had asked him to give a luncheon at the University at 1:00 P. M. this Monday in honor of General Murphy and Mr. Smith invited me to attend this luncheon. He also sent a telegraphic invitation to United States Attorney Viosca today, as the latter telephonically informed me. I have told all of these gentlemen that I know absolutely nothing about the plans of General Murphy or yourself during your stay here and that I could furnish no information regarding your itinerary or whether you would be available for any luncheons or other meeting purposes. Apparently the Governor plans to meet your party personally, according to Mr. Smith, who also advised me that General Murphy had agreed to stay at the Governor's Executive Mansion in Baton Rouge during the time he was in Louisiana.

I have all the necessary arrangements made here to meet you, as well as to take you any place you may desire to go at any time. Unless you advise to the contrary your party will be met by several Agents of this office and myself, without any motorcycle escort, or other State or Federal officials being in attendance.

RECORDED & INDEXED

Sincerely yours,

I ENCL. C.

BES
PMH

Included in File Book
 170 Oct 17 1964

62-32509-110X
 B. E. SACKETT
 Special Agent in Charge

FEDERAL BUREAU OF INVESTIGATION

JUL 5 1939

TOLSON
 Tamm
 Nichols
 Miss Gandy

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General Organized Crime Conditions,
in the State of Louisiana

June 27, 1939

May 27, 1939

MEMORANDUM FOR MR. HOOVER:

VICE CONDITIONS AND POLITICAL CORRUPTION
IN THE STATE OF LOUISIANA

GENERAL

Vice conditions in the 64 parishes throughout the state vary considerably. The sheriff of the parish is generally conceded to be the political leader and in control of the political situation. Sheriffs can succeed themselves in Louisiana, and a number of them have held office for many years and are considered to be outstanding political figures in the state. Among these are sheriff TOM HUGHES of Caddo Parish, Shreveport, La., FRANK CLANCY of Jefferson Parish, Gretna, La., G. V. SAUCIER of Avoyelles Parish, Marksville, La., and MILTON COVERDALE of Ouachita Parish, Monroe, La. Gambling and prostitution are prevalent in most of the parishes. At the present time practically every sheriff is a member of the state political machine and hence the organization has control of the conditions generally throughout the state. The late senator HUEY P. LONG had a law passed making it necessary for the Superintendent of the Louisiana State Police to approve deputies sheriff both as to the number of deputies a Sheriff can have and which candidates can be appointed to those positions. In this way, since the Superintendent of the Louisiana State Police is a political appointment of the Governor, the Governor can control the personnel of the sheriffs offices throughout the state to a large extent. Sheriffs in the state are making a vigorous effort to have this law repealed, and are hopeful of success during the next legislative session. There is no evidence of racketeering or of organized criminal gangs operating in any part of the state, the crimes being local in nature and committed by local individuals, and the gambling and other vice is controlled, in the large, by local interests.

PROSTITUTION

The cities of Shreveport and Monroe, La. each has a red light district where the activities of the prostitutes are rather closely supervised. Throughout the rest of the state, outside of New Orleans, prostitutes operate generally unmolested in taverns, eating places, and hotels. There have been no concerted efforts in the state generally to restrict or control prostitution.

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May 27, 1939

GAMBLING

The parishes of Jefferson and St. Bernard, which adjoin the outskirts of the city of New Orleans, each has two leading gambling establishments, which are conducted on quite an elaborate scale, those in Jefferson Parish being known as the Old Southport and the Original Southport Clubs, and those in St. Bernard Parish being known as the Jai Alai Club and the Arabi Club. It may be noted that the Jai Alai Club is reputedly operated by the same SMITH and BROWN who live at the Roosevelt Hotel and operate 118½ Baronne Street in the City of New Orleans. Some evidence of a connection with the state political machine in these establishments arose recently when the "Times-Picayune" newspaper of New Orleans photographed state Highway Department trucks and employees working at paving the parking lot for one of the Southport Clubs, resulting in a considerable amount of publicity and the operations of these clubs being suspended for two or three days by GOVERNOR LECHE. When the news value of the story died down somewhat, these places again resumed operations. The usual slot machines and pinball machines are quite prevalent throughout the state, with the exception that slot machines have not been in operation in New Orleans during the past few years.

PAROLE SYSTEM

Convicts may be pardoned by the Governor or paroled upon recommendation of the State Parole Board, of which LT. GOVERNOR EARL K. LONG is chairman and the state Attorney General is a member. Up until a few years ago the governors were in the frequent habit of "furloughing" prisoners from the state penitentiary for long periods of time, which resulted in a great deal of adverse newspaper publicity. This practice has been discontinued to a large extent under GOVERNOR LECHE. There is no question but what there had been a large number of abuses of the parole system in the state. The Parole Board is constantly paroling long-term convicts, though very little publicity has been attendant thereto. It is rumored that EDMUND BURKE, Secretary of the political organization in New Orleans, is the "go-between" or contact man in negotiations to secure paroles for considerations.

POLITICS

The state organization is presently in control of the political situation, and all persons in office are chosen for their loyalty and support of that organization. The primary election amounts to virtually an election to any state office. The state organization selects its candidates through a caucus of the entire party, and support at that caucus is enough to insure receiving the primary nomination. At the present time LT. GOVERNOR EARL K. LONG is endeavoring to secure the party's support for the next Governorship

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of the state. He is opposed principally by two individuals, State Senator JAMES P. NOE of Monroe, who is LONG'S principal opponent, and Public Service Commissioner WADE O. MARTIN, who is conceded to have not much of a chance.

The party dominates virtually all public offices, and the office holders are kept in line quite effectively. Present Governor RICHARD W. LECHE was formerly GOVERNOR O. K. ALLEN'S secretary, prior to becoming Governor four years ago and it is reported that at the time he became Governor he had very little if any money. At the present time he is undoubtedly a millionaire, owning a large home in Covington, La. and having a great deal of oil interest. He also owns and operates a weekly newspaper called the "Louisiana Progress" which, of course, secures a great deal of advertisement from the business institutions currying favor from the administration throughout the state. It is also reported that each state employee has to buy a number of subscriptions to this weekly commensurate with the salary he or she receives from the state. This also applies to the employees of the New Orleans Police Department and probably other city employees. (I have been informed by a confidential contact of mine) that this newspaper nets the Governor about \$100,000.00 a year. It was developed during an investigation by this office that the "Louisiana Progress" had assessed the city of Monroe, La. \$500.00 for a small advertisement in the paper, which some citizens of Monroe stopped by securing an injunction to restrain the city from paying the money. It is presumed that like assessments were made to other cities in the state. *Relief*

the New Orleans office
It has been alleged and it is commonly known that there is a system of "de-ducks" whereby 5% of each state employee's salary is deducted from his salary check and no accounting is made of the use of these funds except that the money presumably goes for political purposes. A like deduction is made from the salaries of city policemen. The subscriptions to the "Louisiana Progress" are also taken out in the form of deductions from pay checks. It has been estimated by a New Orleans city policeman, related in the strictest confidence, that out of a salary of \$135.00 per month approximately \$20.00 goes to some form of contribution required of him by the political organization.

The late senator HUEY P. LONG passed a law which is still on the statute books making it an offense for any citizen or group of citizens to attempt to audit the books or records relating to state expenditures.

Respectfully submitted,

B. E. Sackett
B. E. Sackett,
Special Agent in Charge.

BES:bu

General organized Crime June 27, 1939

MEMORANDUM FOR MR. HOOVER:

May 27, 1939

Conditions New Orleans Louisiana

VICE CONDITIONS AND POLITICAL CORRUPTION
IN NEW ORLEANS, LOUISIANA

GENERAL → —

The present Mayor, ROBERT S. MAESTRI, was an ardent supporter of the late Senator HUEY P. LONG and he is at the present time, insofar as the public knows, the dominant political factor and leader in the City of New Orleans. Persistent rumor has it, however, that in reality ALFRED DANZIGER, a very prominent attorney in New Orleans, is actually "the secret mayor". DANZIGER'S brother GEORGE occupies the position of assistant to Mayor MAESTRI and while ALFRED DANZIGER, himself, is not openly active in politics, he is believed to be the man who counsels and advises Mayor MAESTRI in his activities.

The city political organization is known as the Choctaw Club. This organization is dominated by Mayor MAESTRI, SEYMOUR WEISS, ABE SHUSHAN, a prominent business man and close friend of the late Senator LONG, and several of the City Commissioners. MR. EDMUND BURKE is the secretary of this club and has active charge of the gambling and other concessions granted by the organization. This individual is also reputed to be the go-between on State parole payoffs.

There is no question but what Superintendent GEORGE REYER, of the New Orleans Police Department, receives his orders from Mayor MAESTRI and carries out the wishes of the political organization. As will be set forth later (in this memorandum), the Choctaw Club grants lottery, gambling and pinball concessions throughout the city and the members of the New Orleans Police Department see to it that these concessions are protected.

The political leaders who dominate the Choctaw Club are also reported to have formed a syndicate into which all graft moneys are paid and through which they are distributed to the various officials in their proper proportions. It is reputed that the income from vice and gambling goes into this fund and is used by members of the organization to invest in businesses, as an example, the syndicate is reputed to have purchased the New Orleans Baseball Club from a Cleveland owner, namely, CHARLES SOMMERS. At that time the rumor was very commonly current that a certain sum of money in this fund had been embezzled by one of the men designated to handle it. This syndicate is reported to have purchased through these funds the Maison Blanche Department Store building, the entire block of ground on which the Roosevelt Hotel is situated, the Jacobs Candy Company, the New Orleans Baseball Club and a local bakery and to have invested in other local enterprises.

CORPS DESTRUCT

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May 27, 1939

Governor LECHE, SEYMOUR WEISS, ROBERT S. MAESTRI, ABE SHUSHAN and GEORGE REYER are reputed to be the principal members of this syndicate and to have benefitted most personally by these operations. It may be stated that SEYMOUR WEISS is Chairman of the Police Board of New Orleans, as well as President of the New Orleans Dock Board, a State organization, in addition to being President of the Roosevelt Hotel, Jacobs Candy Company and the New Orleans Baseball Club. He wields a great deal of influence through these connections and in ~~conversation with me he just as much as said~~ that Governor LECHE would do anything he asked of him at any time.

An interviewee
The City of New Orleans is comparatively free from racketeering and organized vicious crime. The Police Department is known for its third degree tactics in handling the persons arrested and it is not believed that Superintendent REYER or Chief of Detectives JOHN J. GROSCH would permit outside organized criminals to operate in the city. Prostitution and gambling in all forms is very prevalent in the city and is operated as hereinafter described.

MR. SAM GURVICH operates the New Orleans Private Patrol and has about three hundred men working for him. This organization is nothing more than a racket since it purports to do the work that the New Orleans Police Department actually should do. GURVICH'S men are stationed on a great majority of the docks, and patrol and protect most of the better residential districts throughout the city. It is believed that Superintendent of Police GEORGE REYER and possibly Chief of Detectives JOHN J. GROSCH are silent partners with GURVICH in this organization. It is also believed that SEYMOUR WEISS possibly has a financial interest in the organization but it is definitely known that he is very friendly with SAM GURVICH and helps him in every possible manner.

PROSTITUTION

There are about six principal houses of prostitution in the city, all having from twelve to twenty prostitutes, which have operated unmolested for a number of years and with the apparent sanction and approval of those in power. These are as follows:

GLENN EVANS, 825 Bienville Street - 20 girls.
BERTHA ANDERSON, 321 Royal Street - 15 girls.
NORMA WALLACE, wife of PETE HERMAN, the ex-prizefighter, 1026 Conti Street - 15 girls.
The Club Plantation, operated by PETE HERMAN and his brother, GASPER GULOTTA, 328 Burgundy Street - 12 girls.
DORA RUSSO, 304 Burgundy Street - 12 girls.

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Besides these, there are probably fifteen or twenty other recognized houses of prostitution in the city, all of the others, however, being smaller and not as prominent as the ones mentioned. It is believed that GASPER GULOTTA, the brother of PETE HERMAN, mentioned above, is the payoff man or go-between in connection with the payoffs made by the houses of prostitution operators to the syndicate. It is believed that Captain HENRY ASSET, of the New Orleans Police Department, is the police official in charge of enforcement of the rules or desires laid down by the syndicate and is in charge of the "policing" of the prostitution situation in New Orleans.

The only restrictions on prostitution in the city, generally, are that prostitutes must be examined at least once a month, however, this rule is not enforced, and prostitutes are not permitted to solicit on the streets or in any of the hotels but are not molested if they answer a call to any hotel other than the Roosevelt, which they are not permitted to enter. This rule is rather strictly enforced by the Police Department, of course, as a protection to so-called legitimate houses of prostitution. Practically all of the houses of prostitution are in the French Quarter of the city. Investigations conducted by the New Orleans office have indicated that those prostitutes which come to New Orleans from other cities do so, because of the favorable conditions with respect to prostitution here, of their own free will and there has been no indication of any organized transportation of prostitutes to the City of New Orleans.

GAMBLING

HORSE RACING AND BOOKMAKING. → -

The Louisiana Jockey Club at New Orleans has an 105-day racing season running from Thanksgiving day until the end of March of each year. A syndicate of track operators, owning numerous of the smaller tracks in the United States and Canada, is operated under the direction of one LEO DANDERANDE, a citizen of Montreal, Canada. One CATERNICH formerly dominated this group but he died during the past season. A local man, ROBERT EDDY, is front man and bears the title of President. This group is closely connected with SEYMOUR WEISS, Mayor MAESTRI and members of the local administration. This track is reputed to be one of the most crooked in the country and I have heard it said that at least one race a day is "fixed" and the proper officials are advised of the "fix" as part of their payoff.

During the time the track is in operation no bookmakers are allowed to operate in the City of New Orleans and the Police Department rigidly enforces this rule. When the track closes, however, bookmakers are allowed to operate freely and several hundred of them spring up into business to operate until the track reopens in the fall.

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May 27, 1939

GAMBLING ESTABLISHMENTS. → —

There is only one large gambling establishment catering to all the more popular forms of gambling, such as dice and roulette, permitted to operate within the city limits of New Orleans, that being the establishment at 318½ Baronne Street, directly opposite the Roosevelt Hotel, which is run by two individuals known as BROWN and SMITH who reside at the Roosevelt Hotel. Other large gambling establishments are in immediately adjacent Parishes, however. The remainder of the gambling establishments in New Orleans constitute a set of "21" tables, Klondike games and, in a few places, roulette tables are permitted. Most of these are run in conjunction with a book-making establishment.

The Choctaw Club, through its secretary, EDMUND BURKE, is supposed to grant these gambling concessions, probably both on a political as well as payoff basis, and the Police Department through Captain ASSET and his Division see to it that only the approved gambling establishments operate.

SLOT MACHINES AND PINBALL MACHINES. → —

For a number of years slot machines operated openly in New Orleans, there apparently being an exclusive franchise given the makers of the "Chief" slot machines. Due to a great public demand for their removal they were removed and immediately thereafter the practice of putting out Klondike games was adopted by the Choctaw Club. These, likewise, met with a great deal of adverse publicity and were removed from most business establishments, only a few being presently operating in strictly gambling establishments. Pinball machines were next made the subject of attack by the local citizens group and at present only pinball machines not having an automatic payoff are permitted to operate. However, there are at present a great many pinball machines on which the award must be made in cash by the proprietor of the establishment in which they are situated. In effect, therefore, these are actually slot machines. These pinball machines are put out by about a dozen companies or groups, all of them being properly connected with those in power. The Police Department sees to it that only the authorized outfits have machines in operation. There is also unquestionably a large payoff from these pinball machine operators to the syndicate.

LOTTERIES. → —

At the present time in New Orleans there are about a dozen groups operating lotteries in the city, the activities of which are controlled by the Choctaw Club by concession or franchise with an appropriate payoff to those in power. These lotteries are of varied descriptions. The most popular one is played by the negro and poor white element and has a daily

May 27, 1939

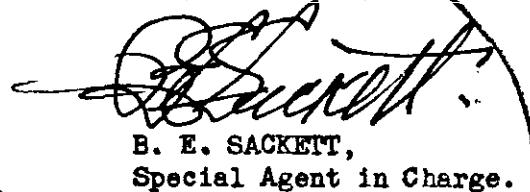
drawing. One may bet from .05 to \$5.00 in the lotteries. Every indication is that these lotteries are locally run and no interstate features have come to the attention of the New Orleans office.

POLITICAL SITUATION*in New Orleans fa.*

The political machine ~~here~~ is an exceptionally strong one. The persons appointed to city offices invariably are loyal supporters of the organization and effectively carry out its orders and objectives in the administration of their respective city departments. A portion of all city employees' salaries goes to their ward boss, as well as other proportions being taken for the benefit of the State political machine. Since the New Orleans Baseball Club has come under the ownership of SEYMOUR WEISS and his associates Mayor MAESTRI has decreed a half-holiday for all city employees on the first day of the baseball season and practically instructed all city employees to purchase tickets.

The old Tammany Hall methods are used in controlling the votes in the city. The voting strength of the State is such that if a candidate for State office has a large plurality in the City of New Orleans he is virtually assured of election even though losing the balance of the State. The City of New Orleans, therefore, has dominated the State administration, except during the regime of the late Senator HUEY P. LONG.

Respectfully submitted,


B. E. SACKETT,
Special Agent in Charge.

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62-32509

Section

6

Federal Bureau of Investigation
United States Department of Justice
Washington, D. C.

EAT: GVC

July 9, 1939

Time: 3:07 p.m.

MEMORANDUM FOR THE DIRECTOR

RE: POLITICAL SITUATION
IN LOUISIANA

I talked telephonically with SAC Sackett of New Orleans with reference to the last paragraph of the attached memorandum dated July 8, 1939, in which Mr. Sackett requested authority from the Bureau to obtain some information from a safe company relative to a safe which allegedly was constructed in ex-Governor Leche's home. I told Mr. Sackett he was authorized to get this information and give it to United States Attorney Viosca.

Mr. Sackett stated that the WPA Investigators yesterday picked up one Eugene Barksdale, acting Construction Superintendent at Louisiana State University, charging him with diversion of WPA materials. One James Marshall was picked up the day before this, making three persons altogether that have been charged in a Commissioners complaint with WPA violations.

RECORDED & INDEXED

Mr. Sackett said that Agent Weeks was on his way to Washington for retraining and he has something to discuss with me which Mr. Sackett did not care to mention on the telephone.

It is Mr. Sackett's opinion that Alice Grosjean, formerly Huey Long's secretary, should be interviewed thoroughly by someone who has a background of the case, as she was asked by the Agent who interviewed her what information she had and she said if she was asked specifically questions on the different angles of the matter, she would answer the questions, otherwise she would not. The newspaper column, "Washington Kerry-Go-Round", states that she has kept photostatic evidence of the irregularities which have been performed.

OK. do do.

Respectfully,

E. A. Tamm
EAT

DE-INDEXED

DATE:

13

66-1045-47
M-4-1785-19

JOHN EDGAR HOOVER
DIRECTOR

Federal Bureau of Investigation
United States Department of Justice
Washington, D. C.
July 8, 1939

LRP:TEB

Time 11:05 a.m.

MEMORANDUM FOR MR. TAMM

Re: POLITICAL SITUATION
IN LOUISIANA

SAC Sackett called from New Orleans in connection with the above matter and advised that according to the newspapers this morning State Attorney General Dave Ellison sent a telegram to Attorney General Murphy requesting General Murphy to permit U. S. Attorney Viosca to make available to Ellison all of the information in the possession of his Office, presumably that which was presented to the Federal Grand Jury is also included, which relates to any State violations. SAC Sackett stated Ellison has taken the attitude that he is willing to cooperate with the Federal Government in every way and in turn wants the Federal Government to cooperate with him by furnishing all evidence or information to him which has to do with State violations or irregularities.

According to Mr. Sackett it appears that Ellison called Mr. Viosca yesterday requesting a conference for the purpose of exchanging information and at that time Mr. Viosca told him that he was prohibited by the rules of the Department of Justice from furnishing any information except under the expressed authority of the Attorney General. Apparently, in view of this, Ellison sent the above mentioned telegram to the Attorney General.

Mr. Sackett stated he had just received, through an Assistant U. S. Attorney, a message from Mr. Viosca, who is presently at his Summer home in St. Louis for the day, requesting him to send information to the Attorney General to the effect that he does not want to furnish any information to Ellison for the reason that Ellison is an appointee of ex-Governor Leche and there is every indication that Ellison himself is involved in this matter. Mr. Sackett requested that this information be furnished to the Director.

Mr. Tolson.....
Mr. Nathan.....
Mr. E. A. Tamm.....
Mr. Clegg.....
Mr. Coffey.....
Mr. Egan.....
Mr. Glavin.....
Mr. Crowl.....
Mr. Harbo.....
Mr. Lester.....
Mr. Lawler.....
Mr. Nichols.....
Mr. Rosen.....
Mr. Sears.....
Mr. Quinn Tamm.....
Mr. Tracy.....
Miss Gandy.....

162-32509-114-X

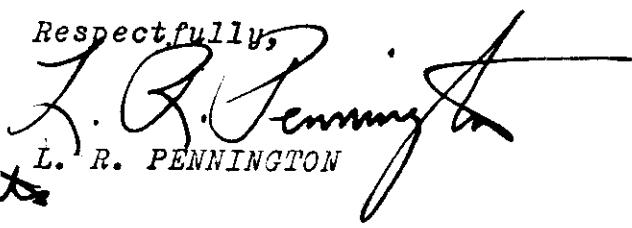
MEMO FOR MR. TAMM

- 2 -

7-8-39

Mr. Sackett stated that in a teletype Thursday he transmitted a request from the U. S. Attorney asking him to obtain some information from a safe company relative to a safe which allegedly was constructed in ex-Governor Leche's home. Mr. Sackett stated he has received no authority from the Bureau as yet to conduct this investigation and as the U. S. Attorney is anxious about this matter he requested advice as to whether he should proceed with the requested investigation.

Respectfully,


L. R. PENNINGTON

See that all such requests
are promptly acted upon.

24.

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FEDERAL BUREAU OF INVESTIGATION

7-8
1939

The Director
 Mr. Nathan
 Mr. Tolson
 Mr. Clegg
 Mr. Glavin
 Mr. Nichols
 Mr. Crowl
 Mr. Tracy

Files Section
 Personnel Files
 Identification Division
 Technical Laboratory
 Mechanical Section
 Chief Clerk's Office
 Crime Statistics

SUPERVISORS

<input type="checkbox"/> Mr. Balch	<input type="checkbox"/> Mr. Cornelius	<input type="checkbox"/> Mr. Lawler
<input type="checkbox"/> Mr. Bellino	<input type="checkbox"/> Mr. Guerin	<input type="checkbox"/> Mr. McIntire
<input type="checkbox"/> Mr. Bickley	<input type="checkbox"/> Mr. Hayden	<input type="checkbox"/> Mr. Pennington
<input type="checkbox"/> Mr. Brennan	<input type="checkbox"/> Mr. Hogan	<input type="checkbox"/> Mr. Rosen
<input type="checkbox"/> Mr. Carson	<input type="checkbox"/> Mr. Kimball	<input type="checkbox"/> Mr. Sears
<input type="checkbox"/> Mr. Chambers	<input type="checkbox"/> Mr. Kramer	<input type="checkbox"/> Mr. Zimmer

* * *

<input type="checkbox"/> Miss Gandy	<input type="checkbox"/> Mr. Tolson	<input type="checkbox"/> Bring file up to date
<input type="checkbox"/> Mr. West	<input type="checkbox"/> Mr. Nathan	<input type="checkbox"/> Send File
<input type="checkbox"/> Mrs. Morton	<input type="checkbox"/> Mr. E. A. Tamm	<input type="checkbox"/> Correct
<input type="checkbox"/> Miss Coe	<input type="checkbox"/> Mr. Clegg	<input type="checkbox"/> Call me regarding this
<input type="checkbox"/> Mr. Albaugh	<input type="checkbox"/> Mr. Coffey	<input type="checkbox"/> Note and Return
<input type="checkbox"/> Mr. Halter	<input type="checkbox"/> Mr. Egan	<input type="checkbox"/> Search, serialize and route
<input type="checkbox"/> Miss Conlon	<input type="checkbox"/> Mr. Glavin	<input type="checkbox"/> Stenographers 5724
<input type="checkbox"/> Mr. Gauthier	<input type="checkbox"/> Mr. Crowl	<input type="checkbox"/> Stenographers 5730
<input type="checkbox"/> Typists - 5724	<input type="checkbox"/> Mr. Barbo	<input type="checkbox"/> Stenographers 5706
<input type="checkbox"/> Stenographers 5716		<input type="checkbox"/> Prepare tickler for
<input type="checkbox"/> See Me		
	<input type="checkbox"/> Mr. Lawler	
	<input type="checkbox"/> Mr. Nichols	
	<input type="checkbox"/> Mr. Rosen	
	<input type="checkbox"/> Mr. Sears	
	<input type="checkbox"/> Mr. Quinn Tamm	
	<input type="checkbox"/> Mr. Tracy	
	<input type="checkbox"/> Miss Gandy	

E. A. TAMM - 5734.

4

JFS:COM

Time: 4:45 p.m.

June 29, 1939

MEMORANDUM FOR MR. TATE

RE: POLITICAL SITUATION IN LOUISIANA
DR. JAMES WENDELL SMITH

MJ
Mr. Smith

SAC Buges called from Detroit to advise he had just learned that Smith and his wife bought a Ford car from an agency in Dearborn, Michigan, on Tuesday, June 27, for which they paid about \$800.00 in cash. The lady gave the name of Mr. Smith at the time of the purchase.

A license plate was obtained for the car and a check by the Detroit Police Department and other authorities in Detroit has reflected that the car went into Windsor, Canada, from Detroit between 4:00 p.m. and midnight, probably shortly after 4:00 p.m., on Tuesday, June 27.

The license number is 48798, 1939 Michigan plates. Mr. Buges did not have the motor number but he is to obtain that information.

Dr. Smith and his wife purchased blotters permit No. P-29542.

In answer to my inquiry, Mr. Buges stated that Doctor and Mrs. Smith have been definitely identified from the descriptions that appeared in a teletype.

According to Buges, the Detroit Police and the Michigan State Police have been vigorously investigating this case since Monday. I instructed him to keep his investigation very discreet and that if there is anything the Bureau wants he would be advised.

Respectfully,
RECORDED
&
INDEXED
J. J. LEADS

62-3757-174

FEDERAL BUREAU OF INVESTIGATION
JUL 10 1939
U. S. DEPARTMENT OF JUSTICE
WASH. D. C.

1308 Masonic Temple Bldg.,

New Orleans, La.

July 17, 1939.

Hon. Rene A. Viosca,
United States Attorney,
New Orleans, Louisiana.

Re: LOUISIANA STATE OFFICIALS;
INFORMATION CONCERNING.

Dear Mr. Viosca:

In accordance with the past procedure of this office, there is being transmitted herewith information obtained from an anonymous informant who calls himself "TOM" also copies of two letters which were addressed to the Attorney General.

The informant who calls himself "TOM" and has called this office on previous occasions and furnished information, the substance of which has been furnished you, again telephonically contacted this office on July 17, 1939. He advised that the Times Picayune dated July 16, 1939, carried some information relative to State Senator JAMES A. NOE exposing irregularities relative to the permission of the operation of hand books in New Orleans. He advised that all the persons operating hand books are protected by New Orleans Criminal District Attorney CHARLES BYRNE, and that he believes BYRNE has not paid any income tax on the money he received.

He advised that all State employees of Louisiana, and employees of the City of New Orleans, are required to contribute 5% of their salaries; that the persons who collected this were very careful not to collect 5% contributions from employees who were receiving compensation from the Federal Government. He advised that the Ward leaders in the City of New Orleans also collected an additional 1% and that the only Ward leader he knew who spent this money for entertaining the persons in his Ward was a Mr. McCONNELL, the leader of the 17th Ward.

He advised that JIMMIE MORRISON, who was defeated in a Congressional election about a year ago, had a good deal of information in connection with irregularities at Charity Hospital, New Orleans.

UNRECORDED COPY FILED 74-141-14

This informant advised that he considered ~~DR. LORIO~~, a doctor in Baton Rouge, as the principal figure in Louisiana in regularities, and that the former Governor R. W. LECHE ~~had~~ ~~very~~ carried out DR. LORIO'S orders.

This individual, in another telephone conversation advised that A. J. PARBACHER, 201 S. Rampart Street, New Orleans, whom he had previously mentioned, and who was in the hand took racket, was related to CHARLES A. BYRNES. He advised that VERNON ABBOTT of New Orleans, who had a criminal record, was the go-between for CHARLES BYRNES, the Chief of Police and the Mayor; that JIMMIE MORAN is the right hand man for the Mayor.

He advised that EDDIE BURKE, New Orleans attorney, acted as a messenger between the former Governor R. W. LECHE and attorneys relating to pardon matters and that this man was paid off as was R. W. LECHE whenever a pardon was issued, but that BURKE did not participate in the graft to the extent that LECHE did. This informant further advised that he understood R. W. LECHE received material from the Charity Hospital in New Orleans which he used on his Covington estate.

The two letters previously mentioned as received by the Attorney General are quoted as follows:

Mansura, La., July 1st, 1939

Att'y General Frank Murphy,
Washington, D. C.

Dear Sir:

The letter of Rev. Ira Day Lang rector of St. George's episcopal church, I am for it. When ever an investigation is made of Fraud in voting in this state, please conduct one in Avoyelles Parish - I will be only to glad to testify in an election held Sept. 1938.

Yours truly

/s/ Guy J. Prevot "

Baskin, La.
July 8, 1939.

7-17-39.

U. S. Attorney General F. Murphy
Washington, D. C.

Hon. Mr. Murphy:

I am writing you in connection with recent investigations in La. It has been rumored that an investigation would be made into the "Kick In" collected from all State employees.

I wish to say that I have worked for the state for three years, or up until Oct. 1st 1938. At that date I quit working for them. Every check we rec'd. we had to kick in 5%. I was getting \$2.50 with the exception of about three months that I rec'd. \$3.00 per day. During this period I payed in or kicked in about \$140.00. The Kick in was made at the district office or a man would call out on the work to take this "kick'in" up. They would not give you a receipt or let you pay by check. Failure to "kick in" automatically removed you from the pay-rolls. As this is a very unfair practice I would like to see it investigated.

I didn't know just who to write but decided to write you. They are so closely associated at Baton Rouge until it would be useless to ask for an investigation from our State Attorney General.

Would it be necessary for me to make an affidavit out to begin a clean up or just what? No present employee of the State can do this as he would be fired outright.

I will be expecting a reply from you.

Thank you

Very Truly

James W. Reagan.

Very truly yours,

B. E. Sackett,
Special Agent in Charge.

EN
CWD:WH
cc-Bureau